

LTC ALERT!

California Partnership for Long-Term Care

What you should know about Long-Term Care

May 2002

New Federal LTC Program Targets Twenty Million Americans

Approximately 20 million individuals nationwide will be targeted to join the new Federal Long Term Care Insurance Program (FLTCIP), creating what some may see as an increase in competition and others as an opportunity for the long-term care message to reach a greater population.

The Long Term Care Security Act (PL 106-265) which passed on September 19, 2000 has led to the FLTCIP sponsored by the United States Office of Personnel Management (OPM).

Metropolitan Life Insurance Company and John Hancock Life Insurance Company were chosen by OPM for the long-term care insurance offering. Together, they formed a jointly-owned entity called LTC Partners, LLC, to operate this new program.

Slated for full availability by October 2002, the federal program is expected to become the nation's largest employer-sponsored long-term care insurance program, with an estimated 20 million people eligible to apply. The policies offered are expected to have lower premiums than those available in the private market.

Those eligible include:

- Federal and postal employees (excluding employees of the District of Columbia Government)
- Members & retired members of the uniformed services
- Annuitants
- Qualified relatives (current spouses and adult children

of employees and annuitants, and parents and parents-in-law of living employees but not annuitants)

Since the FLTCIP does not provide self and family coverage under one application, each eligible person must apply for coverage separately. And, meeting requirements of the Health Insurance Portability and Accountability Act (HIPAA), once a person applies for insurance, their coverage will continue as long as they pay their premiums.

Though early enrollment began in March, an extensive educational and marketing campaign targeted at federal employees and other eligible groups will be launched prior to the July 1st open enrollment period.

All long-term care insurance agents should see the federal outreach as an opportunity for increasing their own sales. The broad campaign will most certainly capture individuals who do not qualify for the federal program. As the publicity spans across the United States, it will reach a vast audience which will seek to gain knowledge about long-term care and long-term care insurance. This is definitely a time when the entire industry could experience tremendous growth.

The FLTCIP program may undergo further changes as the LTC Partners continues to conduct research. For the latest information on this new program, visit the OPM Web site at www.opm.gov/insure/ltc.



CE Credit Seminars

Don't forget to register for one of the Partnership's CE credit seminars! Agents qualified to sell Partnership policies will receive four hours of Partnership continuing education credit for attending a seminar. To attend, agents must have completed the eight-hour basic training required initially to sell Partnership policies. The seminars will take place in the following locations:

- Sacramento, May 9: Holiday Inn Northeast
- Carson, May 14: Carson Community Center

Both seminars begin at 8 a.m. and run until 4:30 p.m. The seminar charge is \$55 in advance. The deadline to register for Sacramento is May 2 and May 7 for Carson. For additional information, contact Brown-Miller Communications at 866-869-8999, or visit the Partnership's Web site at www.dhs.ca.gov/cpltc.

Thanks to the Sponsors!

The Partnership would like to acknowledge Bankers Life and Casualty, John Hancock Life Insurance Company, New York Life Insurance and the California Association of Health Facilities for sponsoring the Partnership's May 2002 Agent Seminars.

A Long-Term Care Planning Summit: What You Need to Know to Protect Your Future

10 a.m. - 4:30 p.m.

Sunday, May 19, 2002

Hyatt Regency, Sacramento

As part of our ongoing effort to educate the public about long-term care, the California Partnership for Long-Term Care and the California Association of Health Facilities invite consumers, business leaders and civic groups to come together for **A Long-Term Care Planning Summit: What You Need to Know to Protect Your Future**. Agents: take the opportunity to invite your clients to attend this educational seminar.

Panels of experts will share important information on long-term care and help guide a discussion designed to increase awareness of consumers' options for financing long-term care, including nursing home care, assisted living and home health care.

Sacramento's KOVR-TV Channel 13 is serving as the event's media sponsor, and news anchor Jennifer Whitney will serve as master of ceremonies.

The \$15 registration fee includes summit and lunch. To receive a registration form, please contact the California Association of Health Facilities at (916) 441-6400.

Agent Advisory Group

The Partnership's Agent Advisory Group offers a forum for agents to exchange industry information. To find out more, log on to our Web site at www.dhs.ca.gov/cpltc and reference Agent Tools & Resources. To join our Advisory Group, please contact Jack Sanders at (916) 323-4253 or e-mail jsanders@dhs.ca.gov.

Web Site Updates

Check out the Partnership's Web site at www.dhs.ca.gov/cpltc for new information, including:

- Change of Address Forms
- 4th Quarter Quarterly Report
- 2002 Issuer's Bulletin
- Revised "Before You Buy"
- Medi-Cal Resource Limits



LTC Alert is produced as a service to agents and their clients by the California Partnership for Long-Term Care, P.O. Box 942732, Sacramento, CA 94234-7320. Phone: (916) 323-4253. Web site: www.dhs.ca.gov/cpltc.

